

OFFICE OF THE SECRETARY
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

RECEIVED

SEP 17 4 06 PM '97

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997)

Docket No. R97-1

**AMERICAN BANKERS ASSOCIATION
FIRST SET OF INTERROGATORIES
TO USPS WITNESS HATFIELD**

(ABA/USPS-T25-1-5)

September 17, 1997

Pursuant to Sections 25 and 26 of the Rules of Practice of the Postal Rate Commission, the American Bankers Association hereby submits these interrogatories and requests for production of documents. If the witness to whom an interrogatory is directed is unable to answer the interrogatory or produce the requested documents and another person is able to do so, the interrogatory or request should be referred to such person. If data requested are not available in the exact format or level of detail requested, any data available in a substantially similar format or level of detail or susceptible to being converted to the requested format and detail should be provided.

ABA/USPS-T25-1

1.
 - a. If your rationale is to move mail into higher degrees of presortation in setting your First Class automation and presort discounts, what evidence do you have or did you collect that there is any more mail that can move between these rate categories?
 - b. Have you or the USPS performed any studies showing that mail would move from the basic to the 3 digit rate as a result of these relative price changes?

ABA/USPS-T25-2

2. What evidence do you have that private sector worksharing bureaus can cover the additional cost burden that reduced discounts are imposing on them? Do you have any evidence concerning their cost increases since R94-1 that would enable you to conclude that discounts can be cut or frozen and enable these bureaus to still operate profitably?

ABA/USPS-T25-3

3.
 - a. Please confirm that the single piece mailstream that would benefit from the proposed discounts for Prepaid Reply Mail (PRM) and Qualified Business Reply Mail (QBRM) is already mostly barcoded and already generating cost savings.
 - b. Please confirm that the 3 cent "incentive" proposed for PRM and QBRM mail is unlikely to result in many more (or any more) barcodes, than now exists, being put on household to nonhousehold mail in the form of bill payments and the like.

ABA/USPS-T25-4

4. Is it your intention that all the 3 cents in your proposed PRM and QBRM rate be passed on to consumers or should the division between consumers and business preparers of these envelopes be divided according to market principles, much like the current dynamic between worksharing discounts and charges to those using worksharing bureaus?

ABA/USPS-T25-5

5. The benchmark used for the development of the PRM and QBRM automation discount is the nonpresort single piece letter while the benchmark used for the development of other automation discounts in First Class is bulk metered mail. If nonpresort single piece letter mail is convertible into (some) automation rate, as implied by the proposed PRM discount, then the supposition underlying the bulk metered mail benchmark that only the bulk metered mail stream is convertible is false, is it not?

Respectfully submitted,



Irving D. Warden

American Bankers Association
1120 Connecticut Avenue, N.W.
Washington, DC 20036
Ph: (202) 663-5027

September 17, 1997
Washington, D.C.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the instant document on all participants of record in this proceeding in accordance with Section 12 of the rules of Practice.



Irving D. Warden

September 17, 1997